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Washington Gas Bars New Tie-Ins

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The Washington Gas Light Co. said it will not accept any new gas contracts with builders or with consumers until its suppliers' shortage has ended.

The announcement late yesterday went beyond the gas company's earlier restrictions on new apartment and industrial gas sales. The ban on new installations and customer contracts now extends to all new homes and apartments.

The new ban on gas sales follows notification late last week by the Columbia Gas Transmission Corp. that it will not supply Washington Gas with any new increases in gas volume.

COLUMBIA, a Wilmington, Del., firm, supplies 83 percent of WGL's gas. The gas company's secondary supplier, Transcontinental Gas Pipe Line Corp., said it will not be able to keep up with its current gas contracts and will have to cut its sales here by about 12 percent.

Similar gas-rationing measures were announced last week in Pittsburgh and have been in effect in Chicago for about a year, WGL said. All parts of the country have reported natural gas shortages, except for portions of the Southwest.

Washington Gas said yesterday was the last day it would accept new gas contracts. Some exceptions to the new contract ban will be allowed, however, provided they do not involve any new gas line installations:

- If you move into a home, apartment or place of business where former tenants were supplied with gas, you will be permitted to buy gas because the company considers the contract to exist with the building, rather than with its tenants.

- If you live in a house or an apartment where there already are gas lines for clothes dryers or hot-water heaters, you will be allowed to add additional gas appliances, such as gas ranges—so long as the company does not have to install any new gas lines.

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- If you already own gas appliances but wish to replace them with new ones, the company will allow you to do so, provided the new appliances don't require more gas than the old ones did.

WGL said it expects the increased gas consumption brought about by the addition of appliances in homes and apartments to be offset by the razing of old buildings with gas contracts.

The company also said that it will maintain its current level of gas reserves in case of emergencies. In the event of a complete gas shut-off — an unlikely possibility — the company said its reserves could meet metropolitan demands for about three days.

IN ORDER TO make the new ban stick, WGL will need the approval of state and District regulatory agencies. The agencies recently approved the gas company's mid-November announcement that it would confine new sales largely to residential uses.

A WGL spokesman said last night he expected the gas shortage to last for at least two to three years. He said the only solutions would be off shore drilling leases, massive importations of liquified natural gas or commercial production of gas synthesized from naptha or other chemicals.

Scientists already know how to synthesize gas, but commercial production methods have not been developed.

Washington Gas also has suffered financial difficulties in recent months, partly because of unusually warm weather — which decreases the need for gas heat — and partly because current rates are not sufficient to meet increased operating costs, the company said.

Yesterday, the company reported January earnings of $1.91 million, down sharply from its $3.62 million profits in January 1971.

Last November the company applied for rate increases of 6.7 percent in the District, 10.2 percent in suburban Maryland and 14.4 percent in Northern Virginia.

When the regulatory agencies delayed action on the request, the gas company on Jan. 3 asked for an emergency rate surcharge, which never was granted.

The rate surcharge would have added $7 million to the company's income this year, while the permanent rate increases requested in November would add $14.7 million annually to company revenues.